STATE OF VERMONT

HUMAN SERVICES BOARD

In re) Fair Hearing No. 15,119

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Appeal of)

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INTRODUCTION

The petitioner appeals the decision by the Department of Social Welfare finding him ineligible for Medicaid for the six-month period beginning August 1, 1997, until he incurs medical expenses in the amount of $1,377.60. The issue is whether the Department correctly calculated the petitioner's applied income within the meaning of the pertinent regulations.

FINDINGS OF FACT

The petitioner is disabled and receives Social Security benefits of $591 a month. Until recently, he also received Medicaid.

The petitioner was recently married. The petitioner's wife works and has gross earnings of $748 a month.(1) After a recent review of the petitioner's case the Department found him ineligible for Medicaid for the six month period beginning August 1, 1997, until he met an applied income or spenddown amount (see infra) of $1,377.60.

The petitioner does not dispute the Department's calculations of either his or his wife's income. His medical expenses are high, however, and all his and his wife's income goes toward basic household expenses. Unfortunately, the petitioner did not know that by getting married his wife's income would be considered in determining his eligibility for Medicaid.

ORDER

The Department's decision is affirmed.

REASONS

In this case the petitioner does not dispute the amount of his applied income as determined by the Department. Under the regulations the petitioner's income ($591) is added to 1/2 of his wife's net countable income ($341.60). That total ($912.60, after taking a $20.00 standard deduction) is compared to the protected income level (PIL) for a household of two persons ($683). See Procedures Manual § P-2420B. Inasmuch as the petitioner's and his wife's countable income is above the pro rata PIL, he qualifies for Medicaid only if he can "show that...his Medicaid group has paid or incurred medical expenses...at least equal to the difference between its countable income and its Protected Income Level". Medicaid Manual § M402. A six month accounting period is used to determine the amount of incurred medical expense required. P2424A(1). The difference between the petitioner's countable income of $912.60 per month and the PIL of $683 is $229.60 per month. When multiplied by the six month accounting period, a spend-down figure of $1,377.60 is reached.

As the spend-down amount calculated by the Department in this case was in accord with its regulations, the Board is bound to uphold the decision. 3 V.S.A. 3031(d), Fair Hearing Rule 17. The petitioner is advised, however, that in any month in which his income and resources are depleted, if he is faced with an emergency medical need he can apply for General Assistance (GA) from the Department to meet that emergency need.

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1. At the hearing, held on September 12, 1997, the petitioner alleged that his wife's earnings had recently declined. The Department agreed to review the petitioner's case and adjust his eligibility determination accordingly.